

FISCAL NOTE

HB 135 - SB 1114

February 24, 2005

SUMMARY OF BILL: Enacts a “best value” contracting procedure for any department, agency, board, commission, utility district, authority, or other unit of state, county, or municipal government. Requires adequate public notice of best value contracting solicitations. Outlines the non-price factors to be considered and the conditions that apply to RFP’s issued in best value solicitations. Provides that competitive proposals be evaluated only on the criteria established in the RFP and for bidders to be ranked from most to least advantageous with the award being made to the bidder determined to be most advantageous. Outlines information to be included in public notice announcing the contract award.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$1,000,000

Increase Local Govt. Expenditures – Exceeds \$200,000 / Permissive

Other Fiscal Impact – To the extent best value contracting is implemented, state and local governments using this procedure will experience savings over time as a result of better quality products and services and fewer change orders and cost overruns.

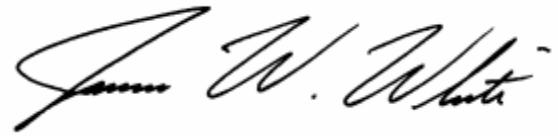
Assumption:

- When a contracting agency determines the use of sealed bidding is not practical or advantageous, a contract may be entered into by best value contracting.
- To the extent state and local governments choose “best value” contracting, a significant increase in administrative costs may occur resulting from the consideration of additional criteria. This increase is estimated to be significantly offset over time with cost savings resulting from increased quality and fewer cost overruns.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

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A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director